

3Q 2020/21 HIGHLIGHTS

- In spite of the COVID-19 pandemic situation and economic challenges, BTS Group delivered recurring net profit (after MI) of THB 1,356mn, growing considerably by 80.6% QoQ
- Total revenue of THB 11,946mn, increasing by 13.6% YoY
- Total operating revenue of THB 8,733mn, declining by 14.5% or THB 1,483mn YoY
 - Services revenue from the development of new rail lines of THB 6.3bn was recorded in 3Q 2020/21
 - Mass Transit Operating & Maintenance (O&M) revenue of THB 1,334mn – grew notably by 41.6% or THB 392mn YoY
- Recurring EBITDA of THB 2,672mn, increased by 32.8% or THB 660mn QoQ, but decreased by 28.2% YoY
- Sole recipient of the Gold Class designation in the Transportation and Transportation Infrastructure sector in the S&P Global Sustainability Yearbook 2021 (ranked #1 out of 256 companies in the same sector)

SIGNIFICANT EVENTS

SUSTAINABILITY AT BTS GROUP

Nov 2020:

- BTS Group Holding PCL (BTS Group or the Company) is included in the **Dow Jones Sustainability Indices (DJSI) 2020, in the Emerging Markets for 3 consecutive years** and is **ranked first globally in the DJSI Transportation and Transportation Infrastructure Sector**.
- BTS Group is included in the **Thailand Sustainability Investment (THSI) list 2020 for the 2nd consecutive year**. The THSI was created by the Stock Exchange of Thailand (SET) for listed companies with outstanding performance on Environmental, Social and Governance (ESG) aspects. The award aims to drive companies towards sustainability to create long-term shareholders' value.
- BTS Group has been assessed as **'Excellent' in Corporate Governance Scoring**, for the 9th consecutive year, under the Corporate Governance Report of Thai Listed Companies 2020 Project, by Thai Institute of Directors Association (IOD) with support from the SET.

22 Dec 2020: BTS Group was awarded the **Sustainability Disclosure Recognition 2020 by Thaipat Institute** for transparency in public disclosure of the Company's performances through its Sustainability Report. This highlights the importance that BTS Group has placed in developing sustainable business practices with a focus on responsibility for the ESG aspects.

8 Feb 2021: The Company was included in the **S&P Global Sustainability Yearbook 2021** and was **the sole recipient of the Gold Class designation**, ranked #1 out of 256 company in the Transportation and Transportation Infrastructure sector. S&P Global's Corporate Sustainability Assessment covered 7,033 companies (across 61 industries) of which 70 were designated Gold Class.

BTS GROUP

22 Oct 2020: BTS Group **acquired all ordinary shares in Mo Chit Land Co., Ltd.** from Sino-Thai Engineering and Construction PCL (STEC) for a total purchase price of THB 4,450mn. After the acquisition, BTS Group **will invest in Mo Chit Complex Project** which is a mixed-used building, in the amount of approximately THB 9,940mn over 4 years. This building is earmarked to be the new Company headquarters building which accommodates the ongoing expansion of the Group. The building is expected to complete in 2024.

6 Nov 2020: The Company issued the **2nd series of THB 8,600mn unsubordinated and unsecured debentures or Green Bond** (rated "A/ Negative" by TRIS on 29 Sep 2020) to institutional and high net worth investors. The new Green Bond was issued in 5 tranches due in 2022, 2023, 2025, 2027 and 2030 with an average coupon rate of 2.72%. The proceeds will be used for investment and debt repayment of Eligible Green Projects which are the Pink and Yellow Lines. Both projects are electric monorail trains which play a massive role in the reduction of carbon emission and air pollution in Bangkok metropolitan area.

Dec 2020: BTS Group **disposed of some of the land bank at Thana City** to a joint venture between Saha Pathana Inter-Holding PCL (41%), Noble Development PCL (40%) and the Company (19%) with registered capital of THB 1,000mn. Net gain from the sale of THB 1,593mn was recognised in 3Q 2020/21.

18 Jan 2021: The Board of Directors of BTS Group approved **the interim dividend payment** from the operating results of the six-month period (April 2020 – September 2020) and retained earnings **at THB 0.15 per share**. Thus, a total of THB 1,974.0mn will be paid to shareholders on 16 February 2021. Based on the share price on 15 January 2021 of THB 9.65 (one day before BOD date), this is equivalent to a dividend yield of 3.1% on an annualised basis.

MASS TRANSIT

1 Oct 2020: **The first two driverless monorail trains for the Pink and Yellow lines arrived.** Each train consists of four cars, and will be used to accommodate patrons up to 40,000 passengers per hour per direction. All trains are expected to be delivered within 2021.

9 Nov 2020: BSR Joint Venture, a joint venture between Bangkok Mass Transit System PCL (BTSC), BTS Group and STEC, **submitted a bid for the Orange Line** (Taling Chan – Min Buri, 35.9km, 28 stations).

16 Dec 2020: BTSC and Bangkok Metropolitan Administration (BMA) **commenced full operation of the Northern Green Line extension** (Mochit – Khu Khot; 16 stations, 18km). Consequently, our Green Line network covers a total of 59 stations and 68 km, providing seamless connectivity across three provinces; Pathum Thani, Bangkok and Samutprakan. Moreover, **the Gold Line phase 1**, (Krung Thon Buri station – Khlong San station; 3 stations, 1.8km) also **commenced its full operation on the same day**.

8 Feb 2021: **Saint Louis station, a new station of the Core Network, has begun operation.** The station is located between Chong Nonsi station and Surasak station on the Silom Line.

9 Feb 2021: **The Cabinet approved the Pink Line extension project** (Sirat – Muengthong Thani; 3.0km, 2 stations). Contract signing is expected by end of Feb 2021. The construction for this part is targeted to kick off in within mid2021 and is expected to take 2.5 to 3 years to be completed.

MEDIA

24 Dec 2020: **Kerry Express (Thailand) Public Company Limited (Kerry Express), Thailand's leading parcel express, successfully listed in SET under the trading ticker 'KEX'.** This Initial Public Offering (IPO) of 300mn shares at THB 28.00 per share raised around THB 8.1bn. A partnership between Kerry Express, BTS Group and VGI PCL (VGI) enables mutual synergies, leveraging off Kerry Express's extensive distribution network and VGI's reach from its Offline-to-Online (O2O) solutions, as well as allowing VGI direct exposure to the growth of the e-commerce market.

PROPERTY

30 Nov 2020: U City PCL (U City) has **entered into the purchase and sale of ordinary shares in the joint venture companies between U City and Sansiri PCL (Sansiri)** as follows:

- The acquisition of 50% of ordinary shares in two joint venture companies, namely BTS Sansiri Holding Thirteen Limited (BSH 13), later renamed to Prime Area 38 Company Limited (PA38), and BTS Sansiri Holding Twenty One Limited (BSH 21), later renamed to Prime Area 9 Company Limited (PA9), from Sansiri at the total price of THB 1mn, resulting in U City's holding a 100% stake in PA38 and PA9
- Disposal of all ordinary shares in 9 joint ventures to Sansiri, consisting of BTS Sansiri Holding Two Limited, BTS Sansiri Holding Three Limited, BTS Sansiri Holding Five Limited, BTS Sansiri Holding Six Limited, BTS Sansiri Holding Eleven Limited, BTS Sansiri Holding Twelve Limited, BTS Sansiri Holding Fourteen Limited, BTS Sansiri Holding Seventeen Limited, BTS Sansiri Holding Twenty Three Limited.

14 Dec 2020: As the outbreak of the COVID-19 pandemic has had a significant negative impact on U City's financial position, operating result, and the current and future cash flow of U City, U City's Board of Directors' Meeting deemed it appropriate to propose to U City's shareholders' meeting to consider and approve **the disposal of U City's and its subsidiaries' 39 items of assets**. Subsequently, on 13 January 2021, U City's Board of Directors' Meeting resolved to change and add details of the disposal of U City's assets. More details in: <https://www.set.or.th/dat/news/202012/20138715.pdf> and <https://www.set.or.th/dat/news/202101/21003978.pdf>.

THE IMPACT FROM THE CORONAVIRUS DISEASE 2019 (COVID-19) PANDEMIC

Within our **Mass Transit** business during 3Q 2020/21, Core Network ridership continued to rise by 2.0% QoQ from the relief of the COVID-19 pandemic. However, the QoQ increase is lower-than-expected primarily due to the temporary closure of BTS operations resulted from protesters during October 2020, as well as the impact from the new wave of infections since late December 2020. Nevertheless, we anticipate that more connectivity within our rail network from the full commencement of the Northern Green Line extension and the Gold Line Phase 1 (since 16 December 2020), as well as the newly opened station in the Core network, Saint Louis station, would bring more convenience to our patrons helping to drive rail market share upwards. Additionally, once the vaccines have been distributed, we expect a strong rebound in ridership as economic activity resumes to normal.

On the **Media** side, amid the prolonged COVID-19 situation, VGI was able to post strong earnings in this quarter primarily as a result of improved operation and positive benefits from the IPO of its partner – Kerry Express (Thailand) in late December 2020 (resulted in an increase in share of profit from investment in KEX in this quarter). Therefore, VGI recorded high net profit of THB 713mn (up 5,913.6% QoQ and 78.0% YoY), exceeding the accumulated loss in the first half of 2020/21.

For our **Property** business, almost all of U City's hotels were temporarily closed gradually from March 2020, followed by a gradual opening by the end of June 2020. However, from November 2020 onwards, a second outbreak occurred, and several European governments have implemented further control measures. As a result, U City's hotel business has been adversely affected across the entire industry. Most of the U City's hotels needed to be temporarily closed once again. This resulted in a significant decline in occupancy, income, profit and free cash flow from the hotel business.

9M 2020/21 P&L SNAPSHOT

Total consolidated revenue of 9M 2020/21 stood at THB 32,733mn, rising by 7.5% or THB 2,274mn YoY. The increase in total revenue was largely attributable to (i) gain on sale of land of THB 1,979mn following the gain on sale of Thana City Land, (ii) higher interest income of THB 296mn and (iii) increased gain on sales of changes in value of financial instruments of THB 220mn. However, the increase in revenue was partly offset by lower revenues from contracting works of THB 166mn mainly from reduced recognition of revenue from the provision of E&M works and the train procurement service for Green Line extensions. As a result of the aforementioned major revenue declining, **group recurring EBITDA in 9M 2019/20 dropped by THB 2,149mn or 25.7% YoY to THB 6,204mn.** This was primarily from no repeat recognition of gain from sale of Mo Chit Land by U City in 3Q 2019/20. The Group recorded **net profit (after MI) of THB 2,894mn, decreased by THB 1,737mn or 37.5% YoY.** The decline in net profit was predominantly as a result of (i) higher share of loss from investment in associates/ JVs (predominantly from the recorded share of loss from investment in U City which mainly resulted from U City's assets impairment as well as no repeat recognition of the gain from sale of Mo Chit Land by U City in 3Q 2019/20) and lower share of profit from investment in BTSGIF in 9M 2020/21 compared to the same period in prior year, (ii) weakened operating performances across our Media and Property businesses owing to the impact from the COVID-19 pandemic, being partially offset by (iii) higher O&M performance largely from newly opened Northern Green Line extension, (iv) an increase in interest income and (v) the aforesaid recognition of net gain on sale of Thana City Land.

3Q 2020/21 PERFORMANCE

| (THB mn) | 3Q 2020/21 | 3Q 2019/20 | % YoY | 2Q 2020/21 | % QoQ |
|--|--------------------------|--------------------------|--------------|--------------|-------------|
| Operating revenues ¹ | 8,733 | 10,216 | (15)% | 8,910 | (2)% |
| Total Revenue | 11,946 | 10,513 | 14% | 10,055 | 19% |
| Recurring EBITDA² | 2,672 | 3,722 | (28)% | 2,012 | 33% |
| Recurring net income (loss) to equity holders of the parent | 1,356³ | 2,378⁵ | (43)% | 751 | 81% |
| Net income (loss) to equity holders of the parent | 1,686⁴ | 2,460⁵ | (32)% | 765 | 120% |

Note that 3Q 2019/20 operating revenue from Media business remained included performances of MACO and its subsidiaries for the period from October 2019 to December 2019, whereas, per the Financial Statement, these performances were separately presented under "profit from discontinued operation".

¹ Operating revenue from the operational performance of 4 BUs excludes interest income, dividend income and non-recurring items.

² Recurring EBITDA calculated from the operational performance of 4 BUs, interest income, dividend income, other income, net share of profit/(loss) from associates/ JV, yet, excludes other non-recurring items

³ 3Q 2020/21 recurring net income (loss) to equity holders of the parent excludes (i) U City's assets impairment of THB 1,429mn, (ii) one-off net gain (after tax) from sale of Thana City land by BTS Group of THB 1,593mn (iii) the extraordinary gain from KEX IPO by VGI of THB 513mn

⁴ 3Q 2020/21 net income (loss) to equity holders of the parent includes one-off net gain from sale of Thana City land by BTS Group, the extraordinary gain from KEX IPO by VGI, yet partially offset by U City's assets impairment.

⁵ 3Q 2019/20 recurring net income (loss) and net income (loss) to equity holders of the parent includes gain from sale of Mo Chit Land by U City of THB 1,118mn

The Group reported **total consolidated revenues** from continued operation of THB 11,946mn in 3Q 2020/21. This represented an increase of 13.6% or THB 1,434mn YoY from THB 10,513mn in 3Q 2019/20. The increase in total revenue was chiefly attributed to (i) gain on sale of land of THB 1,979mn, resulting from the gain on sale of Thana City Land and (ii) gain on sales of changes in value of financial instruments of THB 146mn. Nonetheless, the increase in revenue was partly offset by lower revenues from contracting works of THB 740mn, chiefly owing to reduced recognition of revenue from the provision of E&M works and the train procurement service for the Green Line extensions.

Total consolidated expenses from continued operation amounted to THB 7,773mn in 3Q 2020/21, a decrease of THB 748mn or 8.8% YoY largely from lower recognition of cost related to the provision of E&M works and the train procurement service for the abovementioned Green Line extensions.

Share of loss from investments in associates/JVs was THB 639mn (compared to share profit of THB 1,546mn in 3Q 2019/20). The change of THB 2,185mn was primarily from a decrease of THB 2,568mn in share of profit/(loss) from investment in U City. The Company recorded share of loss from investment in U City of THB 1,289mn in 3Q 2020/21 (compared to share of profit of THB 1,279mn in 3Q 2019/20). This was predominantly as a result of (i) the recognition of the impairment on U City's assets of THB 1,429mn, (ii) no repeat recognition of the gain from sale of Mo Chit Land by U City in 3Q 2019/20, yet partly offset with (iii) gain from U City's disposal of all ordinary shares in 9 joint ventures to Sansiri in November 2020. However, the increase in share of loss from investments in associates/JVs was somewhat offset by higher share of profit from KEX, following the recognition of the extraordinary gain from IPO KEX by VGI of THB 513mn in 3Q 2020/21.

Finance costs increased by 20.0% or THB 109mn YoY to THB 655mn, primarily from project finance of the Pink and Yellow Lines.

Profit attributable to the equity holders of the Company was THB 1,686mn, increasing considerably by 120.4% QoQ or THB 921mn. The QoQ improvement was largely from (i) the one-time net gain from sale of Thana City Land by BTS Group, (ii) improved Media performance and positive benefits from the IPO of KEX by VGI, (iii) gain from U City's disposal of all ordinary shares in 9 joint ventures to Sansiri in November 2020. Yet, partially offset by the recognition of U City's impairment of assets (which was recorded under share of loss from investment in U City). However, net profit decreased by 31.5% or THB 774mn YoY mainly from no repeat recognition of the gain from sale of Mo Chit Land by U City in 3Q 2019/20 and weakened operating performances across in Media and Property businesses which were as a result of the COVID-19 crisis.

The net profit margin attributable to the equity holders of the Company in 3Q 2020/21 was 14.1% (versus 22.0% in 3Q 2019/20). The decrease in net profit margin was chiefly due to higher share of loss from investment in associates/ JVs and weakened operating performances across in Media and Property businesses which were as a result of the COVID-19 crisis.

3Q 2020/21 OPERATIONAL PERFORMANCE

| Operating Revenue (THB mn) | 3Q 2020/21 | % of Total | 3Q 2019/20 | % of Total | % Change (YoY) | 3Q 2020/21 GP Margin ¹⁰ | 3Q 2019/20 GP Margin ¹⁰ |
|----------------------------|--------------|-------------|---------------|-------------|----------------|------------------------------------|------------------------------------|
| Mass Transit ⁶ | 7,788 | 89% | 7,806 | 76% | (0)% | 15.9% | 12.3% |
| Media ⁷ | 674 | 8% | 1,836 | 18% | (63)% | 55.4% | 56.0% |
| Property ⁸ | 57 | 1% | 114 | 1% | (50)% | N.A. | 21.3% |
| Services ⁹ | 214 | 2% | 460 | 5% | (53)% | 6.6% | 3.9% |
| Total | 8,733 | 100% | 10,216 | 100% | (15)% | 18.3% | 19.9% |

⁶ Mass Transit revenue includes:

- i) Construction revenue for the Pink and Yellow Lines
- ii) Services Income from the provision of E&M works and the train procurement service for the Southern and Northern Green Line extensions, and the Gold Line Phase 1
- iii) Operating and Maintenance revenue from Green Line extensions and Gold Line Phase 1, and farebox revenue from BRT

⁷ Media revenue includes

- i) Performances of VGI Group and Rabbit Group. Rabbit group (classified to be under Digital Services Business) comprises of BSS & BSSH and subsidiaries but excludes two companies which are Bangkok Payment Solutions Co., Ltd. (BPS) and Rabbit Rewards Co., Ltd. (RR)
- ii) Media revenue in 3Q 2019/20 remained included performances of MACO and its subsidiaries for the period from October 2019 to December 2019

⁸ Property includes Sales from Real Estate, Rental and Service Income, Revenue from Thana City Golf & Sports Club

⁹ Services revenue includes revenue from Rabbit Rewards, BPS, HHT construction and Turtle 23

¹⁰ Operating gross profit calculated based on the operational performance of 4 BUs

Total operating revenue in 3Q 2020/21 reached THB 8,733mn, a decline of 14.5% or THB 1,483mn YoY. Revenues from the Mass Transit, Media, Property and Services businesses accounted for 89%, 8%, 1% and 2% of total operating revenue, respectively. Operating revenues from Mass Transit, Media, Property and Services declined by 0.2%, 63.3%, 49.5% and 53.4% YoY, respectively. The decline in operating revenue was chiefly due to lower operating performances of Media including the deconsolidation of MACO and Property businesses which were as a result of the COVID-19 pandemic.

Total operating costs also declined in tandem with the decrease in total operating revenue, dropping by 12.9% or THB 1,057mn YoY to THB 7,130mn. The decrease was primarily from lower recognition of services cost for the provision of E&M works and the train procurement service for the Green Line extensions, as well as lower cost from Media and Services businesses. Operating gross profit dropped by 21.0% or THB 427mn YoY to THB 1,602mn.

Share of recurring profit from investments in associates/JVs was THB 278mn (compared to share of recurring profit of THB 1,500mn in 3Q 2019/20). The lower share of recurring profit from investments in associates/JVs was mainly from a decrease of THB 1,139mn in share of recurring profit from U City. The reduction mainly derived from no repeat recognition of the gain from sale of Mo Chit Land by U City in 3Q 2019/20. Please note that reported share of loss from investments in associates/JVs per the Financial Statement of THB 639mn includes the impairment on U City's assets of THB 1,429mn and the extraordinary gain from IPO KEX of THB 513mn in this quarter.

On a QoQ basis, **share of recurring profit from investments in associates/JVs** was THB 278mn (compared to share of recurring loss of THB 242mn in 2Q 2020/21) mainly from the improved share of recurring profit from investment in U City. Share of recurring profit from investment in U City in this quarter was THB 141mn (compared to share of recurring loss of THB 268mn in 2Q 2020/21). The increase of THB 409mn was predominantly due to gain from U City's disposal of all ordinary shares in 9 joint ventures to Sansiri in November 2020, which narrowed overall weakened U City's performance in 3Q 2020/21.

Recurring EBITDA was THB 2,672mn and decreased by 28.2% YoY or THB 1,050mn YoY and recurring net profit (after minority interests) stood at THB 1,356mn, declined by 43.0% or THB 1,022mn YoY. The YoY reduction was mainly from no repeat recognition of gain from sale of Mo Chit Land by U City in 3Q 2019/20. **On a QoQ basis, Recurring EBITDA increased by 32.8% or THB 660mn. Recurring net profit grew significantly by 80.6% or THB 605mn QoQ.** The increase was chiefly from the improved share of recurring profit from investment in U City as abovementioned and improved Media performance in this quarter.

SEGMENTAL PERFORMANCE
MASS TRANSIT BUSINESS

| Mass Transit Revenue (THB bn) | 3Q 2020/21 | % of Total | 3Q 2019/20 | % of Total | % Change (YoY) |
|---|------------|-------------|------------|-------------|----------------|
| Development of new lines | 6.3 | 81% | 6.6 | 85% | (5)% |
| New Green Line extensions ¹¹ | 1.3 | 16% | 2.1 | 27% | (40)% |
| Pink and Yellow Lines ¹² | 5.1 | 65% | 4.5 | 58% | 12% |
| O&M¹³ | 1.3 | 17% | 0.9 | 12% | 42% |
| Others¹⁴ | 0.1 | 2% | 0.2 | 3% | (38)% |
| Total | 7.8 | 100% | 7.8 | 100% | (0)% |

¹¹ Services Income from the provision of E&M works and the train procurement service for the Southern and Northern Green Line extensions

¹² Construction revenue for the Pink and Yellow Lines

¹³ Operating and Maintenance revenue for Green Line extensions and Gold Line Phase 1

¹⁴ Consists of Services Income from the provision of E&M works and the train procurement service for the Gold Line Phase 1 and farebox revenue from BRT

In 3Q 2020/21, the Company continued to recognise increase in YoY (i) **construction revenue for the Pink and Yellow Lines** of THB 0.5bn YoY to THB 5.1bn and (ii) **O&M revenue** of 41.6% or THB 392mn YoY to THB 1,334mn. The increase in O&M revenue was predominately attributable to (a) the full operation of the Northern Green Line extension (Mochit station to Khu Khot station) in Dec 2020 and (b) the contractually agreed increase in the operating fee of the existing Green Line extensions and the Southern Green Line extension. However, **services income for the provision of E&M works and the train procurement service for Green Line extensions** declined by THB 0.9bn YoY to THB 1.3bn, as we enter the tail-end of development. As a result, **total Mass Transit revenue in 3Q 2020/21 decreased minimally by 0.2% or THB 19mn YoY to THB 7,788mn.**

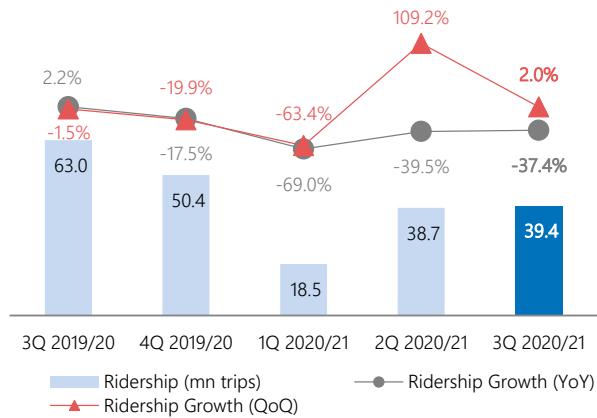
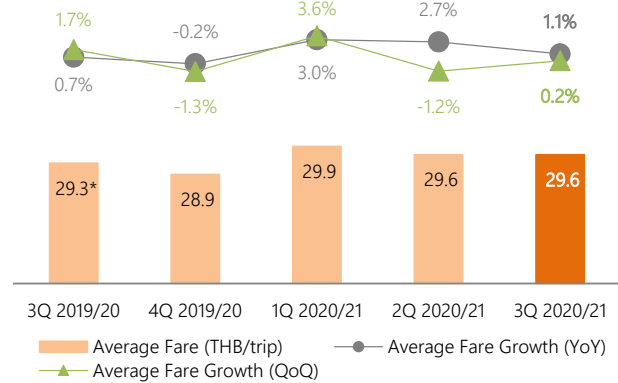
The decrease in total mass transit revenue was also reflected in costs, which fell by THB 297mn to THB 6,551mn, from lower recognition of services cost for the provision of E&M works and the train procurement service for the aforesaid Green Line extensions.

Mass Transit related interest income increased by 11.2% or THB 72mn YoY to THB 718mn, largely on account of interest income from receivables related to the Pink and Yellow Lines.

Recurring EBITDA margin increased to 26.7% from 22.8% in the previous year, due to higher O&M recognition, as well as higher Mass Transit related interest income.

In 3Q 2020/21, the Company recognised **share of profit from investment in BTSGIF** of THB 130mn, declining by 37.2% or THB 77mn YoY, following a decrease in quarterly farebox revenue of the Core Network (down 35.7% or THB 648mn YoY to THB 1,168mn). The decrease was from lower quarterly Core Network ridership (down 37.4% YoY to 39.4mn trips) as a result of the effect from the COVID-19 pandemic. Nonetheless, the decrease in quarterly farebox revenue was offset by an increase in average fare of 1.1% YoY to THB 29.6 per trip predominantly from the removal of the discount on stored value card to be the same fare as single journey card since April 2020.

More commentary on the Core Network performance can be found in *3Q 2020/21 BTSGIF management discussion and analysis*: <http://btsgif.listedcompany.com/newsroom/150220211715550970E.pdf>

Historical Ridership and % Growth

Historical Average Fare and % Growth


* Average fares above were calculated before extraordinary events for comparison purpose.

MEDIA BUSINESS

In 3Q 2019/20 operating performances from Media business included the contribution of MACO and its subsidiaries for the period from October 2019 to December 2019. Whereas, in the Financial Statements, these performances were separately presented under "profit from discontinued operation".

Media revenue in 3Q 2020/21 was THB 674mn, a decrease of 5.1% QoQ and 63.3% YoY principally due to the deconsolidation of MACO of THB 736mn as well as the impact from the COVID-19 pandemic.

| Media Revenue (THB mn) | 3Q 2020/21 | % of Total | 3Q 2019/20 | % of Total | % Change (YoY) |
|--------------------------------------|------------|-------------|--------------|-------------|----------------|
| OOH Media | 458 | 68% | 1,204 | 66% | (62%) |
| Transit | 381 | 57% | 648 | 35% | (41%) |
| Outdoor | 7 | 1% | 449 | 25% | (99%) |
| Office & Other | 70 | 10% | 107 | 6% | (35%) |
| Digital Services¹⁵ | 216 | 32% | 632 | 34% | (66%) |
| Total | 674 | 100% | 1,836 | 100% | (63%) |

¹⁵Digital services revenue is comprised of the revenue generating from (i) Rabbit Group, (ii) Trans.Ad Group under MACO and (iii) VGI Digital Lab

OOH Media includes Transit, Outdoor and Office Building and Other Media. OOH Media contributed 68% of total Media revenue or THB 458mn, decreasing of 4.5% or THB 22mn QoQ and 62.0% or THB 747mn YoY largely due to the aforesaid impact from the pandemic.

Digital Services Business contributed 32% of total Media revenue, dropping by 6.4% or THB 15mn QoQ and 62.0% or THB 747mn YoY to THB 216mn, predominantly from a decline in project management revenue as well as online advertising owing to the low demand on advertising and marketing spending.

Cost of sales decreased by 21.5% or THB 82mn QoQ and 62.9% YoY or THB 508mn to THB 300mn mainly attributable to the decrease in revenue-based in OOH Advertising segment along with the lower property tax rate.

Note that the successful deconsolidation of MACO from VGI's financial statement, effective 30 January 2020, MACO's status has been changed from VGI's subsidiary to associate company. Hence, part of Outdoor Media revenue, which is directly managed by MACO and revenue from Trans.Ad Group under Digital Services segment in FY 2018/19 and FY 2019/20 has been restated from VGI's profit and loss statements. VGI will only recognise a share of profit (loss) from investment in MACO.

More commentary on the Media business can be found in 3Q 2020/21 VGI Global Media's management discussion and analysis

PROPERTY BUSINESS

Total property operating revenue in 3Q 2020/21 stood at THB 57mn, a considerable decrease of 49.5% or THB 56mn YoY, chiefly from lower commercial revenue. Costs also declined by 11.0% YoY or THB 10mn to THB 79mn.

In 3Q 2020/21, the Company recognised share of loss from investment in U City (our associate) of THB 1,289mn (compared to a share of profit of THB 1,279mn in the previous year), largely due to

- (i) the recognition of U City's impairment of assets of THB 1,429mn
- (ii) no repeat recognition of the gain of THB 1,118mn from sale of Mo Chit Land in 3Q 2019/20
- (iii) the decrease in revenue from hotel operations, resulting from the impact of COVID-19 pandemic

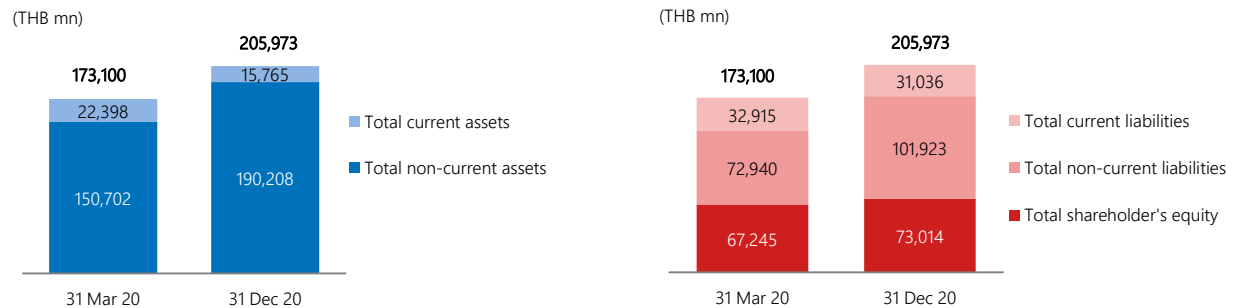
Yet, partly offset with gain from U City's disposal of all ordinary shares in 9 joint ventures to Sansiri in November 2020.

More commentary on the Property business can be found in *2020 U City's management discussion and analysis*

SERVICES BUSINESS

Services business revenue was THB 214mn, decreasing by 53.4% or THB 246mn YoY. The reduction was mainly from lower construction revenue of HHT construction Company Limited of THB 296mn to THB 130mn. Costs also decreased in line with the decline in revenue, dropping by 54.7% or THB 242mn YoY to THB 200mn.

FINANCIAL POSITION



Total assets as of 31 December 2020 stood at THB 205,973mn, an increase of THB 32,873mn or 19.0% from 31 March 2020. The increase was primarily attributed to an increase in

- (i) Other financial assets and right-of-use assets of THB 24,503mn from the adoption of TFRS 9 and TFRS 16
- (ii) Receivables under agreements/ due in the future with government authorities of THB 11,996mn, chiefly from (a) civil construction of the Pink and Yellow Lines and interest income related to such unbilled receivables, (b) train procurement services and interest income related to the services for the Green Line extensions and (c) receivable under the operation and maintenance agreements
- (iii) Elevated train project costs of THB 9,588mn from the construction of the Pink & Yellow Lines
- (iv) Investment properties of THB 4,681mn, mainly from the acquisition of Mo Chit Land Company Limited in October 2020
- (v) Receivables under purchase and installation of operating system agreement of THB 4,807mn from the provision of E&M works for the Green Line extensions
- (vi) Cash and cash equivalents of THB 1,807mn (see cash movement in *Cash Flow* section)

The increase, however, was partially offset by a reduction in

- (i) Current investments, investments in derivative instruments, and other long-term investments of THB 20,702mn from the adoption of TFRS 9
- (ii) Trade and other receivables of THB 3,661mn mainly from receiving the last installment from the sale of Bayswater land
- (iii) Advances to contractors and for acquisitions of assets of THB 1,069mn
- (iv) Deferred tax assets of THB 1,044mn

Total liabilities increased from 31 March 2020 by 25.6% or THB 27,105mn to stand at THB 132,959mn mainly from an increase in

- (i) Long-term loans from financial institutions of THB 15,594mn, mainly from the drawdown of syndicated loans in relation to the Pink & Yellow Lines
- (ii) Other financial liabilities and lease liabilities of THB 7,017mn from the adoption of TFRS 9 and 16
- (iii) Net long-term debentures of 3,547mn due to the THB 8.6mn green bond issued by BTS Group in November 2020, partially offset with the partial repayment of the first tranche in September 2020 amounted to THB 3.6bn of the THB 9.5bn debenture issued in September 2018 as well as the first tranche in December 2020 amounted to THB 1.5bn of the THB 7.0bn debenture issued in December 2017

The increase, however, was partially offset by a decrease in trade and other payables of THB 1,202mn

Total equity increased from 31 March 2020 by THB 5,768mn or 8.6% YoY to THB 73,014mn, mainly from an increase in surplus from the changes in the ownership interests in subsidiaries and non-controlling interests in subsidiaries of THB 4,471mn and THB 2,657mn, respectively, chiefly as a result of the Company decreasing its shareholding in VGI (from 66.26% to 51.16%). The increase, however, was partially offset by a decrease in retained earnings of THB 1,382mn mainly due to the special dividend payment in May 2020 and the FY 2019/20 final dividend payment in August 2020.

As of 31 December 2020, issued and fully paid-up shares of BTS Group stood at 13,161.0mn shares (13,154.3mn shares as of 31 March 2020). Return on equity for 3Q 2020/21 was 9.7% which increased from 9.5% in 3Q 2019/20.

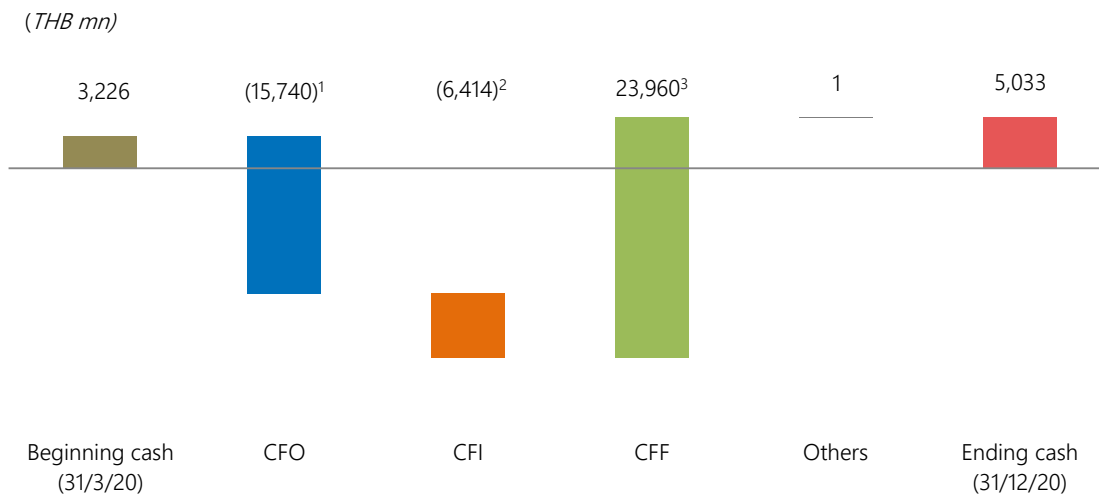
CASH FLOW

As of 31 December 2020, **cash and cash equivalents** stood at THB 5,033mn, an increase of 56.0% or THB 1,807mn from 31 March 2020. Cash used in operating activities was THB 10,900mn (versus cash used in operating activities of THB 8,229mn in 9M 2019/20). This was derived from profit before tax of THB 4,835mn, being partially offset by (i) non-cash reconciling items of THB 1,162mn and (ii) changes in net working capital of THB 14,572mn, chiefly from (a) investment for construction of the Pink and Yellow Lines of THB 6.5bn and (b) investment in E&M works and trains procurement for Green Line extensions of THB 2.4bn. After deducting net cash paid for corporate income tax of THB 2,340mn (9M 2019/20: THB 1,413mn) and net cash paid for interest expenses of THB 2,500mn (9M 2019/20: THB 1,773mn), **net cash used in operating activities** was THB 15,740mn.

Net cash used investing activities was THB 6,414mn. The key components were (i) net investment for construction of the Pink and Yellow Lines of THB 9.1bn, (ii) net cash paid for purchase of investment in subsidiaries of THB 4.4bn mostly from the acquisition of Mo Chit Land, (iii) Net cash paid for purchases of investments on associates of THB 2.6bn chiefly from an investment in Kerry Express and U-Tapao International Aviation Company Limited, (iv) cash paid for purchases of investments in joint ventures of THB 0.8mn largely from an investment in BGSR 6 Company Limited and BGSR 81 Company Limited (motorway projects), partially offset with (v) cash received to settle payables from acquisitions of investments in joint ventures of THB 5.4bn mostly from receiving the last installment from the sale of Bayswater land, (vi) net cash received from sales of investments in financial assets of THB 3.4bn, (vii) dividend received of THB 0.6mn and (viii) cash received from return of capital of associate of THB 0.5mn, primarily from the capital reduction of BTSGIF.

Net cash from financing activities was THB 23,960mn. The key components were (i) net increase in long-term loans from financial institutions of THB 15.7bn mainly for the drawdown of syndicated loans related to the Pink & Yellow Lines, (ii) net cash received from sales of investment in subsidiaries of THB 8.1bn largely from sale of VGI, (iii) net increase in long-term debentures of THB 3.6bn resulted from the issuance of THB 8.6bn Green Bond in November 2020, partially offset with the partial repayment of the first tranche in September 2020 amounted to THB 3.6bn of the THB 9.5bn debenture issued in September 2018 as well as the first tranche in December 2020 amounted to THB 1.5bn of the THB 7.0bn debenture issued in December 2017. Nonetheless, net cash from financing activities was partly offset with (iv) dividend payment of THB 3.9bn in May and August 2020.

9 months Cash Flow Snapshot



¹ CFO after

- Corporate income tax of THB 2,340mn
- Net interest expenses of THB 2,500mn
- Net investment for construction of the Pink and Yellow Lines of THB 6.5bn
- Net investment for E&M works and trains procurement for Green Line extension of THB 2.4bn

² CFI included net investment for construction of the Pink and Yellow Lines of THB 9.1bn

³ Excluding liquid investments of THB 15.1bn

KEY FINANCIAL RATIOS

| | 3Q 2020/21 | 3Q 2019/20* | 2Q 2020/21 |
|--|------------|-------------|------------|
| <u>Profitability ratios</u> | | | |
| Gross operating profit margin (%) | 18.3% | 19.9% | 17.0% |
| Recurring EBITDA margin (%) ^A | 30.6% | 36.4% | 22.6% |
| Recurring pre-tax profit margin (%) ^B | 17.6% | 23.2% | 12.3% |
| Net profit margin (%) ^C | 14.1% | 22.0% | 7.6% |
| ROA (%) ^D | 3.7% | 3.9% | 4.3% |
| ROE (%) ^E | 9.7% | 9.5% | 11.8% |
| <u>Liquidity ratio</u> | | | |
| Current ratio (times) | 0.51x | 0.66x | 0.37x |
| <u>Leverage ratios</u> | | | |
| Interest bearing debt to equity (times) | 1.48x | 1.11x | 1.57x |
| Adjusted net debt ^F to equity (times) | 1.21x | 0.84x | 1.31x |
| Adjusted net debt ^F to recurring EBITDA (times) | 11.77x | 5.80x | 9.64x |
| Interest coverage (times) ^G | 4.08x | 6.76x | 3.31x |
| <u>Per share ratios^H</u> | | | |
| Basic earnings per share (THB) | 0.13 | 0.19 | 0.06 |
| Book value per share (THB) | 5.55 | 5.59 | 4.78 |

Note:

* Includes performances from discontinued operation

^A Excludes non-operating items

^B Calculated based on pre-tax recurring profit / total recurring revenue

^C Calculated based on accounting net profit (after MI) / total accounting revenue

^D Calculated based on accounting net profit / total average assets

^E Calculated based on accounting net profit / total average shareholders' equity

^F Calculated based on interest bearing debt - cash and cash equivalent and liquid investment - cash to be received from clearing house-share subscription of subsidiary

^G Calculated based on recurring EBITDA / finance cost

^H Calculated based on weighted average number of shares at par value of THB 4.0 per share



MANAGEMENT OUTLOOK

It has been over one year since the COVID-19 pandemic has reached almost every country in the globe. Every business has been affected (to different degrees) by the pandemic, and has had to adapt itself to the uncertain environment. In 2020, Thailand was generally seen as successful in controlling the coronavirus outbreak, despite a new wave of infections towards the end of the year from local transmissions. Although the development of a vaccine shows signs of progress, economic activity is constrained as international arrivals remain subject to quarantine restrictions and local economic activity is subdued by work from home policies, lower consumer confidence and continued outbreaks of cases resulting in localised lockdowns measures. The Government once again implemented tightened control measures to contain the resurgence and give confidence that they can control an outbreak without a national lockdown. Amidst all the challenges ahead, our Group continues to monitor the situation closely and assess the operational and financial impact. Additionally, we remain confident that our strong business foundation, as well as a diversified business portfolio and revenue profile will allow the Company to continue to manage the challenging circumstances and achieve favourable results.

Regarding the progress our **Mass Transit business**, after the full commencement of the new Green Line extensions and the Gold Line phase 1 in December 2020, we still have another 65km of the Pink and Yellow Lines under constructions. The construction progresses of both lines were approximately 70% completed as of January 2021. We remain expectant that one of these two lines will begin its partial operations by the end of 2021. For the Pink Line extension project, the construction is targeted to kick off in within Mid 2021 and is expected to take 2.5 to 3 years to be completed.

For other **transportation projects**, the Masterplan for U-Tapao International Airport is under preparation to be submitted by mid-2021, whilst the contract signing for Intercity Motorways (M6 and M81) is expected within early 2021.

Within our **Media business**, VGI will closely monitor the aforementioned domestic and global risk in order to address the challenge. Meanwhile, VGI will continue to develop its products and services in response to the new normal trend as well as focus on stabilising its liquidity and maintaining a strong balance sheet in order to secure benefits from economic rebound. With its diversified portfolio and experience in innovating its business model, VGI strongly believes that it will again overcome the challenge and deliver greatest benefits for its stakeholders.

In spite of the impact from aforesaid Covid-19 pandemic, we continue our efforts in delivering sustainable shareholder returns. On 18 January 2020, BTS Group Board of Directors' meeting approved the interim dividend payment for FY 2021/22 up to THB 1,974.0mn or THB 0.15 per share. The interim dividend will be paid on 16 February 2021.

Over the past 2 decades, BTS Group has built then expanded its businesses; initially from a property company to a multi-industry (transportation and media) conglomerate, creating strong platforms in order to transform ourselves and the companies inside the Group including VGI (from a traditional Out-of-Home media to an Offline-to-Online Solutions company). Moreover, our unique and useable data (especially from ridership, Rabbit group and also partners' data) is another key catalyst to drive our group towards another new chapter. We strongly believe that by sharing access to our platforms and data, we will amplify our group's and partners' value and ultimately strengthen businesses opportunities and create business synergies. Further updates about our business restructuring and new strategy will be provided in the next full-year MD&A.

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Rangsin Kritalug
(Executive Director and Chief Operating Officer)